

DFI'S MODEL DISCLOSURE FORM

OPTIONAL INTRODUCTION SECTION:

This disclosure form is designed to conform with the requirements of the Washington State Mortgage Broker Practices Act, chapter 19.146 RCW ("Act"). Pursuant to the Act, every contract between a mortgage broker and a borrower shall be in writing and shall contain the entire agreement of the parties. For your own protection, please note that verbal understandings, and documents not signed and dated by both parties, may not be enforceable under the Act.

This form contains specific disclosures required under State law. In addition, other disclosures are required under Federal law and regulation, and joint Federal/State law and regulation. The Good Faith Estimate of Settlement Charges and the Truth in Lending Disclosure Statements are disclosures required under both State and Federal law.

The Good Faith Estimate ("GFE") reflects the cost of your loan transaction based on estimates prepared in good faith by your mortgage account executive. While this disclosure details our best estimate of the costs you will likely incur, the accuracy may be limited by actual third party charges or deviations from the original lending premise. State law prohibits a mortgage broker from charging any fee that inures to the benefit of the mortgage broker if it exceeds the fee disclosed in the initial GFE, unless the need to charge the fee was not reasonably foreseeable at the time of initial disclosure, and the mortgage broker has provided to the borrower, no less than three business days prior to the signing of the loan closing documents, a clear written explanation of the fee and the reason for charging a fee exceeding that which was previously disclosed. However, if the borrower's closing costs, excluding prepaid costs of ownership, do not exceed the total closing costs on the most recent GFE, no other disclosures are required.

The Truth in Lending Disclosure Statement ("TIL") reflects the amount financed; the finance charge; the annual percentage rate ("APR"); the total amount of all payments; and information concerning: i) a variable rate mortgage (if applicable), ii) demand features, iii) the total sale price, iv) the pre-payment charge, v) late payment charges, vi) a security interest in your property, vii) insurance premiums, and viii) the creditor's policy on loan assumption. If your loan has a variable rate, we will make additional disclosures regarding the circumstances under which the rate may increase, any limitation on the increase, the effect of an increase, and an example of the payment terms resulting from an increase.

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RATE LOCK DISCLOSURE:

¹Borrower understands that quoted rates reflect the currently available lending rate only. Rates change without notice. There is no rate guarantee for unlocked loans. A loan is not locked until an agreement has been achieved between the mortgage broker and a specific lending institution, and the borrower has entered into a signed lock agreement with the mortgage broker. A locked loan is assigned a specific expiration period within which time the borrower must not only sign the documents, but the loan must fund. The lender's decision to make a loan is based on numerous factors, many of which are outside of the mortgage broker's control. Your loan cannot be closed until it has been underwritten, approved, and properly documented. We will strive to obtain all of the required information so that a lending determination can be made, and the loan funded within the lock-in period. However, neither the mortgage broker nor the lender is obligated to make a loan to you.

²We have chosen to lock our loan, and have completed a rate lock agreement with the mortgage broker.

initials

initials

We understand that this rate lock agreement is guaranteed ____/ is not guaranteed ____ by _____(name of mortgage broker and/or lender).

initials

initials

We have chosen not to lock our loan, and we understand that our rate is subject to change without notification. If we choose to lock-in our rate subsequent to this disclosure, we will be delivered a Rate Lock Agreement/Disclosure within three (3) days of the agreement, including Saturdays, along with another copy of this disclosure.

initials

initials

If we have paid a fee in conjunction with this interest rate lock, the conditions for refund of such fee will be contained in the Rate Lock Agreement/Disclosure Form signed by us.

initials

initials

¹Optional information section

²The elements of this section are not optional

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³OTHER DISCLOSURES:

Funds to be Held in Trust

Any moneys provided by you to us for the payment of third party provider services (such as appraisals) are held in a trust account, and any moneys remaining after payment to third party providers will be refunded to you.

Certain Reports Available

If you are unable to obtain a loan for any reason, we will, within five (5) days of a written request by you, give copies to you of any appraisal, title report, or credit report paid for by you, and transmit the original appraisal, title report, or credit report to any other mortgage broker or lender to whom you direct. **Transmission of these reports includes the rights to use these reports.**

I/We have read and understand these disclosures.

Borrower

Date

Borrower

Date

³The elements of this section are not optional

DFI MODEL RATE LOCK AGREEMENT/DISCLOSURE FORM

BORROWER(S) _____
 PROPERTY _____
 ADDRESS _____

 LOAN PROGRAM _____
 LOAN TYPE _____
 LOAN AMOUNT _____

We are pleased to confirm a rate lock on your mortgage loan subject to the terms and conditions in the agreement. **Mortgage Broker Firm** has taken your lock with one of our lender relationships. **Mortgage Broker Firm** makes no warranties for the lender regarding the lender's ability or willingness to deliver such lock. The lock is facilitated by an agreement between **Mortgage Broker Firm** and the lender. The cost, terms, duration, and conditions of the lock-in agreement are detailed below.

TERMS

Interest Rate: _____	Discount Points: _____
Loan Fee: _____	Lock-in Fee: _____
Lock Date: _____	Lock Days (#): _____
This lock-in agreement will expire on: _____	
Special lock-in options are as follows: _____	

CONDITIONS

The above lock-in terms are valid until the expiration date shown above. Your loan must close and fund (disbursement of funds by the lender) by the expiration date. In the event that your loan does not fund on or before the lock expiration date, the loan must be re-locked at the "higher of" the previous lock price or current scheduled pricing using the same lock option. A re-lock is not automatic upon expiration. In some cases the loan program under which you are locked may be discontinued by the lender subsequent to expiration of the lock.

REFUND OF LOCK-IN FEE

Your lock-in fee is ____ / is not ____ refundable. If refundable, see conditions below.

CONDITIONS FOR REFUND OF THE LOCK-IN FEE

We understand and agree to the terms contained in this lock-in agreement.

_____ Borrower	_____ Date
_____ Borrower	_____ Date
_____ Authorized Mortgage Broker Firm representative	_____ Date